

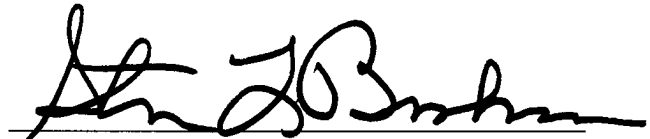
VETO MESSAGE FROM THE
GOVERNOR OF THE COMMONWEALTH OF KENTUCKY
REGARDING SENATE BILL 175 OF THE
2010 REGULAR SESSION

I, Steven L. Beshear, Governor of the Commonwealth of Kentucky, pursuant to the authority granted under Section 88 of the Kentucky State Constitution, do hereby veto the following:

Senate Bill 175 of the 2010 Regular Session of the General Assembly in its entirety.

While I support the Government Contract Review Committee's goal of increasing efficiency, oversight and transparency relative to state government contracts, I am vetoing this bill because county attorneys have advised me that it will have an adverse impact on child support collection and enforcement efforts. This adverse impact outweighs any potential benefit the legislation may have provided.

This the 26th day of April, 2010



Steven L. Beshear, Governor

RECEIVED AND FILED
DATE April 26, 2010
1:44pm.

TREY GRAYSON
SECRETARY OF STATE
COMMONWEALTH OF KENTUCKY
BY R. Adler



GENERAL ASSEMBLY

COMMONWEALTH OF KENTUCKY

2010 REGULAR SESSION

SENATE BILL NO. 175

AS ENACTED

WEDNESDAY, APRIL 14, 2010

AN ACT relating to government contracts.

Be it enacted by the General Assembly of the Commonwealth of Kentucky:

1 ➔ Section 1. KRS 45A.690 is amended to read as follows:

2 (1) As used in KRS 45A.690 to 45A.725:

3 (a) "Committee" means the Government Contract Review Committee of the
4 Legislative Research Commission;

5 (b) "Contracting body" means any~~each~~ state board, bureau, cabinet,
6 commission, department, division, authority, postsecondary
7 institution~~[university, college]~~, officer, or any other governmental entity,
8 except the Legislature, authorized by law to contract for personal services.
9 "Contracting body" includes the Tourism Development Finance Authority
10 with regard to tax incentive agreements;

11 (c) "Governmental emergency" means an unforeseen event or set of
12 circumstances that creates an emergency condition as determined by the
13 committee~~[by promulgation of an administrative regulation]~~;

14 (d) "Memorandum of agreement" means any~~[memorandum of]~~ agreement,
15 memorandum of understanding, program administration contract, interlocal
16 agreement to which the Commonwealth is a party, privatization contract, or
17 similar arrangement~~[device]~~ relating to services between a contracting
18 body~~[state agency]~~ and any other governmental entity~~[body]~~ or political
19 subdivision of the Commonwealth that involves an exchange of resources or
20 responsibilities to carry out a governmental function. It includes agreements
21 by regional cooperative organizations formed by local boards of education or
22 other public educational institutions for the purpose of providing professional
23 educational services to the participating organizations and agreements with
24 Kentucky Distinguished Educators pursuant to KRS 158.782. Except for
25 memoranda of agreement for which review is required by subsection (10) of

Section 2 of this Act, the following agreements shall be exempt from routine review by the committee, but shall be reported in a format and time frame as determined by the committee~~[This definition does not apply to]:~~

1. Agreements between the Transportation Cabinet and any political subdivision of the Commonwealth for road and road-related projects;
2. Agreements between the Auditor of Public Accounts and any other governmental agency or political subdivision of the Commonwealth for auditing services;
3. Agreements between state agencies and postsecondary institutions as required by federal or state law;
4. Agreements~~[between state agencies and state universities or colleges and agreements]~~ between postsecondary institutions~~[state universities or colleges]~~ and employers of students in the Commonwealth work-study program sponsored by the Kentucky Higher Education Assistance Authority;
5. Agreements involving child support collections and enforcement;
6. Agreements with public utilities, providers of direct Medicaid health care to individuals except for any health maintenance organization or other entity primarily responsible for administration of any program or system of Medicaid managed health care services established by law or by agreement with the Cabinet for Health and Family Services, and transit authorities;
7. Nonfinancial agreements;
8. Any obligation or payment for reimbursement of the cost of corrective action made pursuant to KRS 224.60-140;
- 9.~~[Exchanges of confidential personal information between agencies;~~
- 10.] Agreements between state agencies and rural concentrated employment

1 programs; ~~and~~~~or~~

2 ~~10.11.~~ Any other agreement that the committee deems inappropriate for
3 consideration;

4 (e) "Motion picture or entertainment production" means the same as defined in
5 KRS 148.542;

6 (f) "Multicontract" means a group of personal service contracts between a
7 contracting body and individual vendors providing the same or substantially
8 similar services to the contracting body that, for purposes of the committee,
9 are treated as one (1) contract;

10 (g) "Personal service contract" means an agreement whereby an individual, firm,
11 partnership, or corporation is to perform certain services, including but not
12 limited to services requiring professional skill or professional judgment for a
13 specified period of time at a price agreed upon. It includes agreements or~~all~~
14 ~~price~~ contracts for personal or professional services between a governmental
15 body or political subdivision of the Commonwealth and any individual, firm,
16 partnership, or corporation~~other entity~~ in any amount and contracts with
17 private entities for the provision of group health care for public employees.
18 Except for personal service contracts for which review is required by
19 subsection (10) of Section 2 of this Act, the following contracts shall be
20 exempt from routine review by the committee, but shall be reported in a
21 format and time frame as determined by the committee~~[This definition does~~
22 ~~not apply to]~~:

- 23 1. Contracts~~[Agreements]~~ between the Department of Parks and a
24 performing artist or artists for less than five thousand dollars (\$5,000)
25 per fiscal year per artist or artists;
- 26 2. Contracts~~[Agreements]~~ with public utilities, transit authorities, foster
27 care parents, and providers of direct Medicaid health care to individuals;

- 1 ~~however, [except for]~~ any health maintenance organization or other
2 entity primarily responsible for administration of any program or system
3 of Medicaid managed health care services established by law or by
4 agreement with the Cabinet for Health and Family Services shall comply
5 with the provisions of KRS 45A.690 to 45A.725~~, individuals~~
6 ~~performing homemaker services, and transit authorities~~];
- 7 3. Contracts~~[Agreements]~~ between postsecondary institutions~~[state~~
8 ~~universities or colleges]~~ and employers of students in the
9 Commonwealth work study program sponsored by the Kentucky Higher
10 Education Assistance Authority and agreements between postsecondary
11 institutions and health care providers for delivery or receipt of health
12 care services;
- 13 4. Contracts for services not requiring professional skill or professional
14 judgment for forty thousand dollars (\$40,000) or less during any one
15 (1) fiscal year;
- 16 5. Contracts~~[Agreements]~~ between a state agency and rural concentrated
17 employment programs;
- 18 ~~6.[5.]~~ Contracts~~[Agreements]~~ between the State Fair Board and judges,
19 officials, and entertainers contracted for events promoted by the State
20 Fair Board; ~~and~~~~[or]~~
- 21 ~~7.[6.]~~ Any other contract that the committee deems inappropriate for
22 consideration;
- 23 (h) "Tax incentive agreement" means an agreement executed under KRS 148.546;
24 and
- 25 (i) "Tourism Development Finance Authority" means the authority established by
26 KRS 148.850.
- 27 (2) Compliance with the provisions of KRS 45A.690 to 45A.725 does not dispense

1 with the requirements of any other law necessary to make the personal service
2 contract or memorandum of agreement valid.

3 ➔Section 2. KRS 45A.695 is amended to read as follows:

4 (1) Except as provided in subsection (8) of this section, no one shall begin work on a
5 personal service contract entered into by any contracting body or incur expenditures
6 under a tax incentive agreement until notification of the personal service contract or
7 tax incentive agreement is filed with the committee. Each personal service contract
8 shall have a cancellation clause not to exceed thirty (30) days notice to the
9 contractee.

10 (2) Each personal service contract, tax incentive agreement, and memorandum of
11 agreement shall be filed with the committee prior to the effective date and shall be
12 accompanied by a completed proof of necessity form as established by the
13 committee by promulgation of an administrative regulation, or equivalent
14 information if submitted electronically. The proof of necessity form shall document:

15 (a) The need for the service or benefit to the Commonwealth of the personal
16 service contract, memorandum of agreement, or tax incentive agreement;

17 (b) For personal service contracts and memoranda of agreement, the
18 unavailability of state personnel or the nonfeasibility of utilizing state
19 personnel to perform the service;

20 (c) The total projected cost of the contract or agreement and source of funding;

21 (d) The total projected duration of the contract or tax incentive agreement;

22 (e) Payment information, in detail;

23 (f) In the case of memoranda of agreement or similar device, the reason for
24 exchanging resources or responsibilities; and

25 (g) Such other information as the committee deems appropriate.

26 (3) Except as provided in Section 6 of this Act:

27 (a) For an amount over forty thousand dollars (\$40,000), adequate notice of the

1 need for a personal service contract requiring professional skill or
 2 professional judgment shall be given by the contracting body through a
 3 request for proposals. The request for proposals shall describe the services
 4 required, list the type of information and data required of each offeror, and
 5 state the relative importance of particular qualifications;

6 (b) For an amount of forty thousand dollars (\$40,000) or less, adequate notice
 7 of the need for a personal service contract requiring professional skill or
 8 professional judgment shall be given by the contracting body by, whenever
 9 feasible, solicitation of at least three (3) quotes for the needed service. A
 10 determination that solicitation of quotes is not feasible shall be in writing
 11 and submitted to the secretary of the Finance and Administration Cabinet
 12 or the president of the postsecondary institution if appropriate pursuant to
 13 KRS 164A.575 and to the committee. The secretary of the Finance and
 14 Administration Cabinet or the president of the postsecondary institution if
 15 appropriate pursuant to KRS 164A.575 and the committee may review a
 16 determination of unfeasibility by a contracting body.

17 (4) The head of the contracting body or his or her designee may conduct discussions
 18 with any offeror who has submitted a proposal to determine the offeror's
 19 qualifications for further consideration. Discussions shall not disclose any
 20 information derived from proposals submitted by other offerors.

21 (5) Award shall be made to the offeror determined by the head of the contracting body,
 22 or his or her designee, to be the best qualified of all offerors based on the evaluation
 23 factors set forth in the request for proposals and the negotiation of fair and
 24 reasonable compensation. If compensation cannot be agreed upon with the best
 25 qualified offeror and if proposals were submitted by one (1) or more other offerors
 26 determined to be qualified, negotiations may be conducted with the other offeror or
 27 offerors in the order of their respective qualification ranking. In this case, the

1 contract may be awarded to the next best ranked offeror for a fair and reasonable
 2 compensation. All determinations of the qualification rankings of offerors by the
 3 head of the contracting body or a designee of the officer based on evaluation factors
 4 set forth in the request for proposals shall be made in writing. Written
 5 documentation shall be maintained concerning the final results of negotiation with
 6 each vendor and reasoning as to why each vendor was chosen.

7 (6) The committee shall maintain a record or have readily accessible records of the date
 8 on which each personal service contract, tax incentive agreement, and memorandum
 9 of agreement was received and shall maintain or have access to electronic or paper
 10 files on all personal service contracts, tax incentive agreements, and memoranda of
 11 agreement. Except for records exempt from inspection under KRS 61.870 to
 12 61.884, all personal service contracts, tax incentive agreements, and memoranda of
 13 agreement shall be made available for public inspection.

14 (7) Payment on personal service contracts, tax incentive agreements, and memoranda of
 15 agreement submitted to the committee for approval shall not be made for services
 16 rendered or projects undertaken after committee disapproval, unless the decision of
 17 the committee is overridden by the secretary of the Finance and Administration
 18 Cabinet or agency head, if the agency has been granted delegation authority by the
 19 secretary of the Finance and Administration Cabinet or the president of the
 20 postsecondary institution if appropriate pursuant to KRS 164A.575. All personal
 21 service contracts, tax incentive agreements, and memoranda of agreement shall
 22 contain a provision that stipulates that payments on personal service contracts and
 23 memoranda of agreement shall not be authorized for services rendered after
 24 committee disapproval, unless the decision of the committee is overridden by the
 25 secretary of the Finance and Administration Cabinet or agency head, if the agency
 26 has been granted delegation authority or the president of the postsecondary
 27 institution if appropriate pursuant to KRS 164A.575.

1 (8) In the event of a governmental emergency as defined under KRS 45A.690, work
 2 may begin prior to filing notification of the personal service contract with the
 3 committee, if the secretary of the Finance and Administration Cabinet or his
 4 designee or the president of the postsecondary institution if appropriate pursuant
 5 to KRS 164A.575 determines that the time involved in the normal review process
 6 would be detrimental to the Commonwealth's ability or to the postsecondary
 7 institution's ability to act or procure the services and the normal process will not
 8 accommodate the governmental emergency. Payment shall not be made until
 9 written notification and explanation of the reasons for this action are forwarded to
 10 the committee.

11 (9) If a governmental emergency exists as defined under KRS 45A.690 and work is
 12 authorized to begin on a personal service ~~contract~~~~contact~~ immediately, a copy of a
 13 statement, approved by the secretary of the Finance and Administration Cabinet or
 14 his designee or the president of the postsecondary institution where appropriate,
 15 setting forth in detail the nature of the emergency shall be filed with the committee,
 16 along with a copy of the personal service contract.

17 (10) Personal service contracts or memoranda of agreement in an amount in excess of
 18 one million dollars (\$1,000,000) shall be reviewed by the committee regardless of
 19 type or characterization.

20 ➔Section 3. KRS 45A.700 is amended to read as follows:

21 (1) Personal service contracts in aggregate amounts of forty thousand dollars
 22 (\$40,000)~~ten thousand dollars (\$10,000)]~~ or less during any one (1) fiscal year shall
 23 be exempt from routine review by the committee, but~~and~~ shall be filed with the
 24 committee not more than thirty (30) days after their effective date for informational
 25 purposes only. The committee shall examine all personal service contracts in
 26 aggregate amounts of forty thousand dollars (\$40,000)~~ten thousand dollars~~
 27 ~~(\$10,000)]~~ or less submitted more than thirty (30) days after the effective date. The

1 committee may periodically examine the informational copies of personal service
 2 contracts in aggregate amounts of forty thousand dollars (\$40,000)~~ten thousand~~
 3 ~~dollars (\$10,000)~~ or less and may request agency participation in discussions
 4 relative to their contracts or payments.~~[The provisions of this subsection shall not~~
 5 ~~apply to price contracts for personal services.]~~

6 (2) Memoranda of agreement~~[and price contracts for personal services]~~ in aggregate
 7 amounts of fifty thousand dollars (\$50,000) or less during~~[in]~~ any one (1) fiscal
 8 year shall be exempt from routine review by the committee, but~~[and]~~ shall be filed
 9 with the committee not more than thirty (30) days after their effective date for
 10 informational purposes only. The committee shall examine all memoranda of
 11 agreement~~[and price contracts for personal services]~~ in aggregate amounts of fifty
 12 thousand dollars (\$50,000) or less submitted more than thirty (30) days after the
 13 effective date. The committee may periodically examine memoranda of agreement
 14 and price contracts for personal services in aggregate amounts of fifty thousand
 15 dollars (\$50,000) or less and may request agency participation in discussions
 16 relative to their agreements or payments.

17 (3) If a personal service contract of forty thousand dollars (\$40,000) or less~~[than ten~~
 18 ~~thousand dollars (\$10,000)]~~ is amended to the extent the amended total of the
 19 contract exceeds forty thousand dollars (\$40,000)~~[ten thousand dollars (\$10,000)]~~
 20 per fiscal year per contractor, the amended contract shall be placed on the agenda
 21 for the committee's routine review.~~[The provisions of this subsection shall not~~
 22 ~~apply to price contracts for personal services.]~~

23 (4) If a memorandum of agreement offer price contract for personal services of less
 24 ~~than]~~ fifty thousand dollars (\$50,000) or less is amended to the extent the amended
 25 total of the agreement or contract exceeds fifty thousand dollars (\$50,000) per fiscal
 26 year per contracting~~[governmental]~~ body, the amended agreement~~[or contract]~~
 27 shall be placed on the agenda for the committee's routine review.

1 ➔Section 4. KRS 45A.705 is amended to read as follows:

- 2 (1) There is hereby created a permanent committee of the Legislative Research
3 Commission to be known as the Government Contract Review Committee. The
4 committee shall be composed of eight (8) members appointed as follows: three (3)
5 members of the Senate appointed by the President of the Senate; one (1) member of
6 the minority party in the Senate appointed by the Minority Floor Leader in the
7 Senate; three (3) members of the House of Representatives appointed by the
8 Speaker of the House of Representatives; and one (1) member of the minority party
9 in the House of Representatives appointed by the Minority Floor Leader in the
10 House of Representatives. Members shall serve for terms of two (2) years, and the
11 members appointed from each chamber shall elect one (1) member from their
12 chamber to serve as co-chair. Any vacancy that may occur in the membership of the
13 committee shall be filled by the appointing authority who made the original
14 appointment.
- 15 (2) On an alternating basis, each co-chair shall have the first option to set the monthly
16 meeting date. A monthly meeting may be canceled by agreement of both co-chairs.
17 The co-chairs shall have joint responsibilities for committee meeting agendas and
18 presiding at committee meetings. A majority of the entire membership of the
19 Government Contract Review Committee shall constitute a quorum, and all actions
20 of the committee shall be by vote of a majority of its entire membership. The
21 members of the committee shall be compensated for attending meetings, as
22 provided in KRS 7.090(3).
- 23 (3) Any professional, clerical, or other employees required by the committee shall be
24 provided in accordance with the provisions of KRS 7.090(4) and (5).
- 25 (4) All proposed personal service contracts, tax incentive agreements, and memoranda
26 of agreement received by the Legislative Research Commission shall be submitted
27 to the committee to:

- 1 (a) Examine the stated need for the service or benefit to the Commonwealth of
 2 the personal service contract, memorandum of agreement, or motion picture
 3 or entertainment production;
- 4 (b) Examine whether the service could or should be performed by state personnel,
 5 for personal service contracts and memoranda of agreement;
- 6 (c) Examine the amount and duration of the contract or agreement; and
- 7 (d) Examine the appropriateness of any exchange of resources or responsibilities.
- 8 (5) If the committee determines that a personal service~~[the]~~ contract, memorandum of
 9 service or agreement, or~~[other than an]~~ emergency request~~[contract approved by~~
 10 ~~the secretary of the Finance and Administration Cabinet or his or her designee,]~~ is
 11 not needed or is inappropriate, the motion picture or entertainment production is not
 12 beneficial or is inappropriate, the service could or should be performed by state
 13 personnel, the amount or duration is excessive, or the exchange of resources or
 14 responsibilities is~~[are]~~ inappropriate, the committee shall forward~~[attach]~~ a written
 15 notation of the reasons for its disapproval or objection to the secretary of the
 16 Finance and Administration Cabinet or the president of the postsecondary
 17 institution if appropriate pursuant to KRS 164A.575~~[personal service contract, tax~~
 18 ~~incentive agreement, or memorandum of agreement and shall return the personal~~
 19 ~~service contract, tax incentive agreement, or memorandum of agreement to the~~
 20 ~~secretary of the Finance and Administration Cabinet or his or her designee].~~ The
 21 committee shall act on a personal service contract, tax incentive agreement, or
 22 memorandum of agreement submitted to the Legislative Research Commission
 23 within forty-five (45) days of the date received.
- 24 (6) Upon receipt of the committee's disapproval or objection, the secretary of the
 25 Finance and Administration Cabinet or the president of the postsecondary
 26 institution if appropriate pursuant to KRS 164A.575~~[to a personal service contract,~~
 27 ~~tax incentive agreement, or memorandum of agreement, the secretary of the Finance~~

1 ~~and Administration Cabinet or his or her designee~~ shall determine whether the
 2 personal service contract, tax incentive agreement, or memorandum of agreement,
 3 or emergency request shall:

4 (a) Be revised to comply with the objections of the committee;

5 (b) Be canceled and, if applicable, payment allowed for services rendered~~[under~~
 6 ~~the contract or amendment]~~; or

7 (c) Remain effective, notwithstanding the disapproval or objection of the
 8 committee~~[as originally approved]~~.

9 (7) The secretary of the Finance and Administration Cabinet~~[or his or her designee]~~
 10 shall notify the committee of the action taken on items~~[personal service contracts,~~
 11 ~~tax incentive agreements, and memoranda of agreement]~~ disapproved or objected to
 12 within ten (10) days from the date they~~[the personal service contracts, tax incentive~~
 13 ~~agreement, or memoranda of agreement]~~ were reviewed by the committee.

14 (8) The determination required by subsection (6) of this section to be made by the
 15 secretary of the Finance and Administration Cabinet shall not be delegated,
 16 except for that any institution of higher education that has elected to utilize the
 17 procurement procedures established pursuant to KRS 164A.575, the
 18 determination required by subsection (6) of this section regarding the
 19 institution's contract or agreement shall be made by the president of the
 20 institution and shall not be delegated~~[Contracting bodies shall make annual reports~~
 21 ~~to the committee not later than December 1 of each year. The committee shall~~
 22 ~~establish reporting procedures for contracting bodies related to personal service~~
 23 ~~contracts, tax incentive agreements, and memoranda of agreement submitted by the~~
 24 ~~secretary of the Finance and Administration Cabinet or his or her designee].~~

25 ➔ Section 5. KRS 45A.725 is amended to read as follows:

26 (1) The~~[Government Contract Review]~~ committee may:

27 (a) Determine the appropriate format and time frame for reporting personal

1 service contracts and memoranda of agreement;

2 (b) Select for further review, any contract or agreement submitted for review or
 3 reported by any contracting body;

4 (c) Establish policies and procedures;~~concerning the manner and form of~~
 5 ~~notification~~ and

6 (d) Determine the documentation to accompany~~the~~ proposed personal service
 7 contracts, memoranda of agreement~~contract~~, tax incentive agreements,
 8 and emergency requests~~agreement, or memorandum of agreement~~.

9 (2) Nothing in this chapter~~code~~ shall prohibit the committee from accepting personal
 10 service contracts, tax incentive agreements,~~agreement, or~~ memoranda of
 11 agreement, or other documents through the use of electronic instrumentalities.


12 ➔Section 6. KRS 45A.095 is amended to read as follows:

13 (1) A contract may be made by noncompetitive negotiation only for sole source
 14 purchases, or when competition is not feasible, as determined by the purchasing
 15 officer in writing prior to award, under administrative regulations promulgated by
 16 the secretary of the Finance and Administration Cabinet or the governing boards of
 17 universities operating under KRS Chapter 164A, or when emergency conditions
 18 exist. Sole source is a situation in which there is only one (1) known capable
 19 supplier of a commodity or service, occasioned by the unique nature of the
 20 requirement, the supplier, or market conditions. Insofar as it is practical, no less
 21 than three (3) suppliers shall be solicited to submit written or oral quotations
 22 whenever it is determined that competitive sealed bidding is not feasible. Award
 23 shall be made to the supplier offering the best value. The names of the suppliers
 24 submitting quotations and the date and amount of each quotation shall be placed in
 25 the procurement file and maintained as a public record. Competitive bids may not
 26 be required:

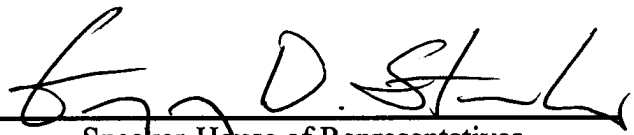
27 (a) For contractual services where no competition exists, such as telephone

- 1 service, electrical energy, and other public utility services;
- 2 (b) Where rates are fixed by law or ordinance;
- 3 (c) For library books;
- 4 (d) For commercial items that are purchased for resale;
- 5 (e) For interests in real property;
- 6 (f) For visiting speakers, professors, expert witnesses, and performing artists;
- 7 (g) For personal service contracts executed pursuant to KRS 45A.690 to 45A.725;
- 8 {and}
- 9 (h) For agricultural products in accordance with KRS 45A.645; and
- 10 (i) At the discretion of the secretary of the Finance and Administration
- 11 Cabinet, for existing contracts between purchasing agencies and risk-
- 12 bearing organizations responsible for Medicaid-managed health care
- 13 services that are approved through a waiver authorized by the federal
- 14 government.
- 15 (2) The chief procurement officer, the head of a using agency, or a person authorized in
- 16 writing as the designee of either officer may make or authorize others to make
- 17 emergency procurements when an emergency condition exists.
- 18 (3) An emergency condition is a situation which creates a threat or impending threat to
- 19 public health, welfare, or safety such as may arise by reason of fires, floods,
- 20 tornadoes, other natural or man-caused disasters, epidemics, riots, enemy attack,
- 21 sabotage, explosion, power failure, energy shortages, transportation emergencies,
- 22 equipment failures, state or federal legislative mandates, or similar events. The
- 23 existence of the emergency condition creates an immediate and serious need for
- 24 services, construction, or items of tangible personal property that cannot be met
- 25 through normal procurement methods and the lack of which would seriously
- 26 threaten the functioning of government, the preservation or protection of property,
- 27 or the health or safety of any person.

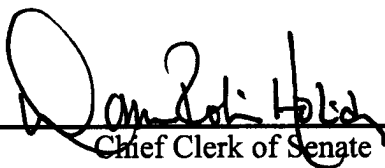
1 (4) The Finance and Administration Cabinet or the president of the postsecondary
2 institution if appropriate pursuant to KRS 164A.575 may negotiate directly for the
3 purchase of contractual services, supplies, materials, or equipment in bona fide
4 emergencies regardless of estimated costs. The existence of the emergency shall be
5 fully explained, in writing, by the head of the agency for which the purchase is to be
6 made. The explanation shall be approved by the secretary of the Finance and
7 Administration Cabinet or the president of the postsecondary institution if
8 appropriate pursuant to KRS 164A.575 and shall include the name of the vendor
9 receiving the contract along with any other price quotations and a written
10 determination for selection of the vendor receiving the contract. This information
11 shall be filed with the record of all such purchases and made available to the public.
12 Where practical, standard specifications shall be followed in making emergency
13 purchases. In any event, every effort should be made to effect a competitively
14 established price for purchases made by the state.



President of Senate



Speaker-House of Representatives

Attest: 

Chief Clerk of Senate

Approved _____
Governor

Date _____